

Minutes of the study meeting of the Board of Directors of the Redevelopment Agency of Murray City held Monday, May 4, 2005 in the Murray City Council Conference Room, 5025 South State Street, Murray, Utah.

Attendance:

Jim Brass – Murray City Council/Redevelopment Agency
 Jeff Dredge – Murray City Council/Redevelopment Agency

Karen Wikstrom – RDA Consultant
 Jonnalyne Walker – RDA Consultant

Frank Nakamura – City Attorney
 Shannon Huff Jacobs – Murray City Council Executive Director
 Josh Yost – Redevelopment Agency Staff

Gary Snyder – Deseret Industries
 Don Mullin – JWDM Development

Jim Brass

Welcome those of you who are here to the Redevelopment Agency Study Session for May 4th at 2:00 pm. We are going to have a discussion about the plan, but the study session was particularly meant to discuss how we need to move forward on the timeline.

Karen Wikstrom

I have just given you an expanded version of the posted agenda so that you can see the subtopics that we need to discuss. Primarily the reason why we are here is that you haven't had more than about 15 minutes to look at concept plans, to comment on it, to have input into it and we want to take as much time as we can today to really talk about what types of themes, uses you want to have in this area. Because we either need to make sure that its translated into the TOD ordinance or guidelines as well as what we describe in the plan. Now the plan itself is a pretty boilerplate document and one thing that Keith and I talked about yesterday is that we may want to have several options as illustrative of the concepts that we want to have put in place, attached to the plan. We have presented the two alternatives to you. Landmark Design has drawn up some revisions to that. One of the things that we did since we last met is that I met with Stanley Consultants to talk about Cottonwood Street options and how it might impact this area. We came up with a couple of ideas that I'm just going to throw out to you for discussion. One idea is that Cottonwood Street gets worked into the rebuilding of the rail structure. It would be a way of reducing the cost of the rail structures. That is one option. As you recall one of the things that we discussed was relocating the stadium from the parcel on the north side of Fireclay Avenue between the TRAX and Main Street to the parcel between the rail lines, south of Fireclay Avenue. What we've tried to do is maintain a fine grain grid in this area. We can make this walkable, and a little more intimate. Another idea is that if Cottonwood is to align with Main Street, we turn it into a very large roundabout, because it can accommodate a lot more traffic. The idea is that you can handle very large volumes of traffic with this kind of a configuration

without having to impact the neighborhood. This idea creates a unique area and satisfies keeping Main Street as the Cottonwood Street extension but not having it be so impactful to the area. You still have opportunities on State Street for large scale retail.

Jeff Dredge

Does that go right through the middle of the Deseret Industries and the LDS Cannery?

Karen Wikstrom

It does, and that's something we're going to be talking about in terms relocation options and the role of the RDA. Anything we are talking about suggests a transferring of those uses. This is an attractive and interesting option. Now one of the things that we have not heard from you but we've heard more specifics from the planning commission and I'd like to get into today is to have you all think about specific things. I'd like you to take these maps of the area and mark these up with the critical features that you think need to be put into the plan and then we are going to talk about them. For example we heard from the Planning Commission that 200,000 sf of retail is just crazy, so maybe one thing you do is say that we want to see smaller retail out here.

Jim Brass

Out on State Street bigger is not as big a problem. It may be easier just to talk this through, because we have talked about it, and I think we all have that vision that we keep dragging ourselves back to, but apparently have not communicated clearly about the mix of retail and residential around the heart of the TRAX Station. That is your walkable area, with or without a soccer stadium.

Karen Wikstrom

Let's guide a discussion by talking about various elements that are in either of these plans and having you give reaction. One of the features that we've proposed in both plans is that a lifestyle commercial emphasis is placed in the core. Like Sugarhouse commons but with more green space. You're able to accomplish tucking some nice restaurants or entertainment back against the creek and against the parkway and that adds a lot of value and then you can start justifying a smaller retail scale because you're providing that atmosphere. The next thing we suggested in just about every plan is that you're going to have larger scale on State Street. Were there discrepancies between some of the things that we've heard is how large is large. Maybe we should just take that discussion for a moment. This is something that is either going to be in the TOD or it goes into the design guidelines. What you have are illustrations of some various sizes.

Jim Brass

We were given a tour of hospital and the main hospital building footprint is around 35,000 sf and that a big building. Its tough to get an idea of what that is until you walk into it. That's why I like Alice Steiner's comment that the World Trade Center stood on 45,000 sf., and that's a big building. So 200,000 is a huge building.

Karen Wikstrom

What I'd to also talk about is what kinds of retailers require those footprints. 200,000 would be the Super Target, the Super Wal-Mart. So let's cut in half and talk about 100,000 sf format.

That is a large format standard grocery store that can range from 50,000 to 100,000 sf, such as a Fred Meyer Marketplace.

Pat Griffiths

I think that's an essential element if we're looking to satisfy basic needs.

Karen Wikstrom

We won't be generating a lot of demand for a large grocery store. We'll have to be looking outside of this area.

Jim Brass

I can tell you, living in that area, a grocery store will get used, because your choices are Smith's or Albertson's and both of them are difficult to get to.

Robbie Robertson

If you put a 100,000 sf building in there you're going to have to have a lot of parking.

Karen Wikstrom

We did parking tests. With this much retail right here, that's enough parking. That's why I'm going to keep referring to these plans because we've done parking tests as we're looking at these sizes. A 50,000 sf format would be a standard Smith's. Their small format grocery stores would be more like 30,000. So that gives you some ideas of basic retailer types and how this works. But if you put a maximum of 50,000 sf, you're going to start limiting some of your options.

Jim Brass

I don't know that we want to that, on the other hand they're studying tax redistribution now and depending on how that comes out, how they redistribute sales tax a 200,000 sf or a 100,000 sf retail center may not be something we want because of the impact it has on the city versus the revenue it might bring in.

Krista Dunn

Correct me if I'm wrong. In our previous discussions we talked about the TOD extending to just past Main Street. So in terms of what's on state street size wise I don't think that's much of a concern to us.

Jeff Dredge

We said we were going to leave that alone and let the market determine that.

Jim Brass

And let them build within the requirements of the zone.

Krista Dunn

I think our discussion should center around the TOD area.

Jeff Dredge

Wasn't it a 100 ft. buffer between what going on on State Street and our TOD?

Karen Wikstrom

What you want to do is control how the area between State Street and Main Street affects the TOD area.

Jim Brass

We address that with a buffer down Main Street. Obviously what we didn't want is the back of large stores and semi trucks backing in right on the edge of our walkable community.

Karen Wikstrom

I'll tell you that one of the big issues we faced when we did the 9th and 9th plan in Salt Lake City was garbage location, and where do the trucks come pick it up. So services are very important.

So what we will be doing then is identifying this (State Street to Main Street buffer) as more regional scale commercial, or what's in the zone right now. Now, do you want to do that on the north area near the creek?

Jim Brass

East of Main Street, whatever they build in there will probably fit within the existing zone.

Karen Wikstrom

We could have a real big box on the north that might impact what we're trying to accomplish.

Jeff Dredge

The big draw is the creek.

Krista Dunn

That's why you want lifestyle there because there are so many possibilities for that area.

Karen Wikstrom

You start making it viable by putting in amenities and I will tell you that we had some pretty strict guidelines for Sugarhouse to address that issue, the size issue, how do you front the creek, how do you relate to other building and how does the parking work, etc.

Jim Brass

Well, Sugarhouse kind of existed and then expanded; we're trying to build something. You had the old Sugarhouse district and you kind of reflected that in the new development. We're trying to change used car lots.

Karen Wikstrom

You want to think about again, you could still go to car lots under your existing zoning. One of the things I think you want is a great deal of activity. Remember that even though it might not be in your walkable area this is in your tax increment catchment. So you can think about extending that in the plan that we define for the project area.

Jim Brass

Maybe we need to clarify that because I think that there is some confusion here, the increment that we capture is property tax increment, not sales tax. So retail, whether it exists or not really has little impact on the RDA.

Karen Wikstrom

On the fiscal impact of the RDA, but on the actual development it will have a tremendous impact.

Jim Brass

We're playing two different games here we have to be able to pay off the infrastructure bond and that's increment. But for services and life of the project we're looking at sales tax.

Karen Wikstrom

I honestly that is you let this frontage go to an auto use, it would have a dramatically detrimental impact on what your trying to accomplish. The issue is how many bodies are going to be out here.

While your TOD doesn't extend to State Street, remember that your RDA project area does, and I don't know that I would just open that up. What we're trying to do now is figure out combinations of uses and what's going to make it sustainable and what's going to make it work.

Pat Griffiths

The representative from Deseret Industries is here. Do I remember correctly that you have acquired the property to State Street and I think it would behoove us to find out what your plans are?

Gary Snyder

Our intentions are to redevelop on site.

Karen Wikstrom

We had a wonderful meeting with Gary. Can I explain it and tell me if I'm misstating. The intention is to develop with an orientation towards 45th here. If the city were to acquire the north east corner of the State Street and 45th South intersection in order to relocate the Deseret Industries, then you have the property to sell on the current site. So it means tying up the funds, but hopefully not a long period of time. That might work, we don't know, we haven't done any studies, but its something that we could have a second conversation about.

Jim Brass

That's going to take a lot of conversations because we have to deal with Deseret Industries and the people across the street.

Karen Wikstrom

These are the kind of things, that when you're working in an RDA, these are the different roles of the RDA. One of the things that we love about the Deseret Industries store is that it has an incredible draw. A lot of what you have to do is suspend your skepticism about property

acquisition when you're doing these kinds of plans at this point and then we'll start about the limitations in just a moment. That is one of the role an RDA has to play.

Jeff Dredge

I guess the problem I have with that theory is that if you go down a road a long way and I make a lot of plans, but they're not feasible.

Karen Wikstrom

Again, it depends on what role you want to play as a board and some of things we are talking about are very typical of RDA's.

Jim Brass

Role playing is a wonderful thing, but when it comes down to money and paying for relocation expenses as well as punching a road under the rail line, realigning streets, building bridges, at some point we'll have checks in the check book but we won't have any money left in the bank.

Karen Wikstrom

That's something we have to talk about, because there is going to a point where you don't have any money in the bank and you don't know if your development is starting yet. So I'd like to get to that, but at this point I'd you to think in terms of if you could, what would you like. Because we can always back off the perfect to the good. That's why we are talking about various options, and that's why I can see options attached to you plan, as opposed to a specific plan.

Krista Dunn

I have a question Gary. Your property, obviously as its shown on the plan with the circle is gone out of that and would move. The cannery is a big piece of the puzzle and obviously the cannery wouldn't fit into that option. My question is, if in fact the negotiations went well and you moved across State Street to the other side, is there enough room there to have both or would you have to move your cannery to somewhere completely different.

Gary Snyder

I can't really for the cannery, it's a separate operation. If they are to be relocated, I don't think they really have a desire to stay area.

Karen Wikstrom

That's our discussion of the State Street frontage and the primarily retail orientation and what I'm hearing you say, would you like to summarize.

Krista Dunn

In my big picture I think it would be very beneficial if we could move Deseret Industries over to the other corner to make way for other development.

Karen Wikstrom

Truthfully, the other issue with both the Deseret Industries and the cannery is that you're creating a tax increment catchment area with two large landowners who don't play property tax. That's

another reason to try to effectuate relocation if that works, but again we've had a first conversation and it's just a conversation.

Krista Dunn

I guess my statement is if that were an option, that's an attractive option to me.

Jim Brass

If we're going to run Cottonwood Street through the heart of this, I think that concept does have less traffic impact, at least immediate impact than anything else.

Pat Griffiths

It would be like our place maker.

Karen Wikstrom

It would be like your place maker, I think just the circulation system becomes your place maker.

Don Mullin

Is there adequate parking and land there for a big box user.

Karen Wikstrom

Those boxes are 100,000 sf and we could structure the parking.

Don Mullin

One way traffic?

Karen Wikstrom

Yes, one way on each side.

Don Mullin

So if someone wants to come in they have to go all the way around and come back in. You're right, it's one way, and that has an impact, because we're going to be splitting the traffic volumes. But again, what is proposed for Cottonwood is to significantly increase the traffic volume.

Krista Dunn

Even though it's one way both directions it appears to be fairly accessible.

Karen Wikstrom

If you're moving your traffic through, but you are trying to provide a number of opportunities for people to get in and off.

Jim Brass

The interesting thing is instead of just firing them right down Cottonwood Street, which they do down State Street now, because other than the consultants who took a minute to look at our buildings, because they were paid to, most people don't notice that. A straight shot through on Cottonwood Street might affect the same thing. But if you take a round circle like that, everyone will get a look at it.

Karen Wikstrom

This is a big circle, keep remembering it is big. It's close to a city block.

Krista Dunn

It would be more of a curve in the road than a circle.

Jim Brass

We would have to make that we clearly defined traffic flow to the buildings inside the circle.

Karen Wikstrom

One option is to even leave the straight shot for local traffic. Or something that comes in and terminates.

Jim Brass

You bisect that circle and I see nothing but traffic accidents.

Karen Wikstrom

You could treat the parking lot in the middle like a street with some pedestrian connections so that you had some sense that you just weren't coming into a big sea of parking. So it wouldn't necessarily be a street for getting traffic through, but a street for people arriving to these businesses.

Don Mullin

I have a question; in order to lease out the center spots to smaller tenants the attraction to the smaller tenants to go into a development with a large tenant is that they don't have to get back in the car. The large tenants attract people for the smaller tenant, so pedestrian access is important.

Karen Wikstrom

What we're doing right now is we're dealing with potential planning, just throwing out ideas. All of those issues get resolved through additional primary planning. At this point what we're saying is however you do it we have a desire not to have Cottonwood split this area. Because if Main Street becomes this high volume corridor and nobody wants to go across, we haven't really done what we tried to do by bringing in an anchor tenant on State Street.

Krista Dunn

I think this accomplishes what we're looking at too. If we could get to that, that accomplishes the no straight the middle to split it apart.

Karen Wikstrom

What I also like about it is that it pulls the through traffic around these uses as opposed to having to have a destination to get off of that Main Street.

Jim Brass

They'll drive right past those side roads; this will push them right into them.

Karen Wikstrom

We sat down with Stanley Consultants and talked about the objective and brainstormed. One idea was to pull it completely out of that area, or to try to do something to accommodate the flow of traffic.

Jim Brass

With the right commercial, we'll get them to stop, and then they'll look around.

Pat Griffiths

Would this require an adjustment of the boundaries of the TOD?

Jim Brass

Yes, if we're ending the TOD at Main Street, we're going to have to move it east.

Karen Wikstrom

I know what your objective is in not taking it all the way to State Street, but if one of your objectives is to use the TOD ordinance as your implementation tool, think about extending it to State Street.

Jim Brass

The only difficulty we had with that is, TOD by the definition of it is walkable and walkable according to Envision Utah and all of the other consultants, who signed off on it, is a quarter mile, and State Street is farther than that.

Krista Dunn

The other problem that we have too is that none of us have a problem with the really large box stores on State Street, and we have a problem with them in the TOD.

Jim Brass

If we extend the TOD to State Street, you're looking at 35,000 sf.

Karen Wikstrom

But what you can talk about is this as being a separate and distinct area within this project area.

Jim Brass

As part of the overall project plan we can cover that, but I don't know that we need to do it within the TOD portion of that.

Karen Wikstrom

The only reason that you would is if that is your primary implementation tool and that's the issue.

Let's talk about land uses just a little bit more because I think we're moving towards the implementation discussion which is really important for us. We've talked about housing, highly amenitized with open space. Housing locations can be very flexible. We've talked about density and you've seen lots of different examples and so I'm pleased that you're thinking in terms of minimums instead of maximums on densities. Keith and I met with Mike Gibbons

yesterday and if you're trying to talk about residential in any of these areas you need to offer them enough density so that they can justify the cost. So the rational is that you have to offer enough density to justify the cleanup, there's also the TOD argument.

Pat Griffiths

That was the question in the back of my mind was the remediation.

Karen Wikstrom

If you get to 60 units which is non steel construction because it falls into the parameter of mid rise without getting into high rise construction requirements, you can start justifying that.

Jim Brass

One of the things we looked at in the TOD that we need to keep in mind is that everything over two stories, 75% of parking has to be structured parking. So that will have a somewhat self limiting design aspect to it. But again for me anyway, I do not want to preclude having residential units within the retail area.

Karen Wikstrom

My feeling is that what you do with your regulatory tools is deal with massing and scale and parking and not be prescriptive on use. That is really my recommendation. Because again, as long as your accommodating both uses on the ground level with ceiling height and bay depth, who cares if someone turns it into an office or lives there.

Now let's talk about a couple issues in terms of timing of funds and infrastructure needs.

Jonnalyne, I usually use about the two year planning rule, what are you using before you see anything off of the development in increment.

Jonnalyne Walker

Two years if not three.

Karen Wikstrom

There's a lag between the time the development goes in and the time any increment is collected by the agency and could be as many as three years. It is something that if you have a developer in hand who's stepping in and doing the whole development and you know what that development schedule is, it is much easier to bond using a tax increment bond. As opposed to situation where you will have multiple land owners and you're playing the market to make this happen. We have a chicken and egg problem which is it is going to be really tough to develop west of the TRAX station without having the Fireclay Extension in.

Jim Brass

I don't think the fire department would sign off on anything that does not have that exit. We've been through this many times over the past five years.

Karen Wikstrom

So this starts to become this question of how do we deal with that. You can obviously do something like an SID where this becomes another taxing district and as properties become

assessed to cover the cost of the infrastructure which is an SID bond. That's one way. Other ways that I'm going to throw out, in West Jordan when the RDA was established on 70th and Redwood Rd., the city loaned the funds to the RDA. It was a transaction where the city funded the westward extension of the Jordan Parkway to Redwood Road. That became a loan repaid by tax increment after from the RDA. What happens when you look at TIF bonds is they're just like any other financial instrument. Someone is going to have to underwrite that and they're going to have to have a certain level of assurance that development will occur. There are some things in this recent legislation that start to undermine that assurance that we can provide an underwriter, one is not having eminent domain. While not many of our clients have used eminent domain, it was always nice having that ability, because its helps say that when push comes to shove we will step in. So what you end up having are bonds that are not very marketable, will have a fairly high interest rate, they're effectively junk bonds. So it's something that we want to be thinking about. As we've been looking at this it seems to us that this is not where your first stage is and I'm pointing to the area between the two tracks. Your first phase is going to happen somewhere out on State Street or on the Gibbons parcel. But in order to have this happen the city would have to get pretty heavily involved in land assemblage and acquisition. Which requires money?

Now to implementation options. If TOD is your primary option, then we really want to make sure everything we are talking about here is going to get into that TOD. The RDA options are the things we just discussed. Before we move onto the housing plan, are there any other thoughts in terms of land use.

Jeff Dredge

I don't know if we've ever come to a conclusion on State Street, what the size of the footprint was going to be.

Krista Dunn

I think we take that piece out of the TOD so that it remains what is today and we allow those larger boxes. Or we put it in the TOD and we specify that that particular area will be allowed the larger footprint.

JIM Brass

Again if we're going to preserve that life style center, we may need to do that. In fact if we're altering Main Street we probably have to do that. But again we need to say east of that portion of main Street/Cottonwood Street and West of State Street.

Karen Wikstrom

I think that the State Street is critical and not from a revenue perspective, setting that issue completely aside, but I consider that to be your anchor.

Jeff Dredge

I like the concept of the roundabout; I guess my concern is what that footprint size should be. If we say 100,000 sf we're immediately cutting out some big box tenants like Home Depot or Lowes.

Karen Wikstrom

What you can say is the building has to be oriented in a specific way, the parking has to be located a certain way, the relationship has to be a certain way. You don't necessarily have to put that sf requirement in there.

Krista Dunn

I'm still a little bit nervous about not putting in square footage in the TOD.

Karen Wikstrom

Inside the TOD is 50,000, which is pretty big. Again, this is something that you would take into further study with your transportation engineers that you've hired, but the fact that it came from them says something.

Jeff Dredge

When do you have to put that road in to make it so that it's an attraction to some of these developers to come in.

Karen Wikstrom

I think that if you were to start implementing this, again you do have the right of eminent domain for your roadway development. You can become involved with a different hat, which is your public works department to start putting this in. Ideally you go in and you front the bones, the basic skeleton. I think you would put it in place right up front.

Jim Brass

As we move into the budget discussion at another time, that's probably a good way to go.

Karen Wikstrom

The nice thing about this kind of thing is you're getting this up front, then you start getting it on your roadway master plan, you really start putting into those general plan elements that also hold more policy weight. You're going to be looking for all available resources given that you're improving roadways, you're improving infrastructure, you're extending water and sewer and to the extent that you can find other sources, you have that tax increment that then becomes a repayment source if you wanted to put that into your general fund and loan it to the RDA. You can set these things up in ways that you then access that TIF but you're not dependent on it to be flowing first or convincing bond holders or purchasers that this is all happening on this timeframe. We will be putting these concept plans into the plan as illustrative and then translate as much as you can into the TOD and get into the general plan.. On thing that we had talked about was simultaneously putting something like this through the planning commission as a small area plan and an amendment to the general plan. That's something to think about procedurally.

Housing Plan

All of the question there are the ones that I mentioned and it makes sense use to talk about them. As we talked about earlier you will have to have a housing plan adopted by the RDA prior to getting approval from the Taxing Entity Committee of the budget. It can very general but it also a real opportunity having done your housing element, you have a lot of affordable housing, you

have met the statutory requirements for affordable housing. This is an opportunity if you wanted to target special needs housing, target specific incomes.

Pat Griffiths

Now when say special needs, tell you what you mean.

Karen Wikstrom

That could be elderly facilities.

Pat Griffiths

We have a growing critical need for that in this community.

Jim Brass

Which is again why I go back to mixing residential with the retail, because then it eliminates the need for a car all the time, if your immediate needs can be met within walking distance of where you live. I think that would be very attractive to an aging population.

Karen Wikstrom

It also increases the affordability of the unit. So the questions that we're asking are; housing plans can be targeted specifically to investment occurring within the project area, or they can say that we'd like to have half of that increment diversion for housing would be invested within the project area, half of it would be invested outside of the project area.

Krista Dunn

It doesn't necessarily have to be building new housing, but maybe revitalizing older housing or whatever.

Karen Wikstrom

It could also be the installation of infrastructure to allow the housing to happen. As long as it's translated into affordability.

Jim Brass

I think where Krista's going is that if we wanted to provide money in the form of loans to help current residents upgrade their property in areas like Box Elder and Hannauer, we could do that.

Karen Wikstrom

Those are the kind of things that we would talk about in this housing plan. We would say that the RDA has determined that the affordable housing funds will be targeted outside of the project area and for these purposes.

Jim Brass

One thing that the school district keeps coming back to and because they are a member of the taxing entity committee, and that has interesting powers now, under the new laws, they are very concerned about housing. I don't know that we could overstate that. They want to know how many 3 bedroom, how many 2 bedroom, how many 1 bedroom units are in there, is it owner occupied, is it rental. They want to have an idea of the impact on the district and the cost of

educating those students. Whether it increases their population or not, there will be an effective impact, because they've got to get the kids to school. So those are all important things that we probably ought to be able to give them an answer on.

Karen Wikstrom

We just completed master plans for two school districts, and one of the things that we want to be able to show them is what types of housing units we are going to have because part of their question is are we going to looking at a highly transient, or are we looking at a permanent population. Are we looking at populations that will be young families, what would that likely mix be. So that is not a difficult thing to do, but we need to have that conversation. I don't think this is a large enough area or probably an appropriate location for talking about reserving a school site, especially because I would hazard that Murray School District is not in a high growth mode. So a lot of what they would be looking at is how this student body could be used to keep the existing schools in that area open.

Jim Brass

That might help them on their enrollment figures, but it has an impact on their overall cost because of costs of busing.

Krista Dunn

We're in a situation in Murray where our schools on the west side of town are pretty full and the schools on the east side of town aren't, and we're looking at building on the west side of town where they're already full. They may have to even look at redrawing all their boundaries which is a huge issue for them.

Karen Wikstrom

I think that probably given the fact that you have State Street on side and 4500 South regardless of where they go, they'll be bused.

Pat Griffiths

I think it's also important for us to consider housing for seniors and maybe even an assisted living center and I think there are a lot of natural amenities that could be utilized in this area too to make that a pleasant place for those people to be and there would be easy to transportation and the natural geographic amenities. I think something like that would be an excellent thing to do.

Karen Wikstrom

So what I'm hearing is maybe it goes in the area and out of the area. Do you want to think in terms of percentages of what goes and what stays in, we probably want to talk about that, because we have to have a budget.

Krista Dunn

My question is, I can't imagine putting 100% into this area, its not a big enough area to put 100% of low income housing there, and maybe what we need to talk about is the percentage of the area that we're looking at for housing and then go from there to determine what percentage. Typically we're looking at about 15% for the city in low income housing; we don't want our whole 15% in one area. We want to spread that out.

Karen Wikstrom

If you've got a \$10 million to \$12 million npv on the non residential uses on TIF, then you're talking about \$2 to \$2 ½ million.

Don Mullin

Just from a development standpoint, if the city would put the infrastructure and the other access in there, the only other major expense that is an extraordinary expense for us is the cleanup.

There is \$300,000 to \$400,000 in cleanup we're anticipating. As far as bringing that back into the question of, Don you guys want to build residential, how much money do you need from us, other than what you plan on doing I think if we get some help with the environmental issues, that we don't need much. As far as 15% of low income, or affordable, most of this on the mean, your nicer stuff, most of your nicer stuff, that mean is a lot higher than what you think it is. But if you want to get into real affordable low income housing, you really don't want any here. We're not anticipating any low income housing here, but if you do, what you want it in rental, if its what traditionally what we call low income, not affordable.

Karen Wikstrom

I think you're thinking of a different kind of target. Affordable housing is really about \$148,000 per unit.

Don Mullin

This fits within this bracket.

Krista Dunn

I know infrastructure is an allowable expense on that, would remediation be an allowable expense?

Karen Wikstrom

If that could be translated into affordability on the site.

Jim Brass

So \$140,000 to \$150,000 could for employees at the hospital?

Karen Wikstrom

Police, teachers, when we talk about affordable housing its really important to remember that its not really low income, its affordable. But now lets talk about low income minute, because that's something that you can also, because if you recall in the housing element of the general plan, one of the concerns was the affordability of a 60% of lower of area median.

Jim Brass

That may be a good place to invest increment in, in existing properties.

Krista Dunn

The pieces outside the project, when I talked about revitalization, that's kind of where I was going with that.

Karen Wikstrom

Remember this is a requirement, this isn't optional.

Jim Brass

We understand that, and I think your concept of it is a good one.

Karen Wikstrom

So you're thinking maybe half in half out?

Krista Dunn

I don't know if it even has to be half in and half out.

Jim Brass

It could be 80% in 20% out.

Karen Wikstrom

You may not want to specify the percentage, so that you can keep that option open.

Krista Dunn

I think if we did it, it would only be a guideline anyway.

Karen Wikstrom

That raises the question if you backload this in the budget or take it out over time.

Krista Dunn

As long as we have some kind of a picture of what kind of money we're talking about, I don't think it matters that we put a percentage on it. We just need to know a ballpark figure of what we've got work with.

Karen Wikstrom

Does Murray have a housing authority yet? Who would the agency making that direct investment outside the project area?

Jim Brass

We have the municipal that takes care of city buildings, that could go in under that.

Karen Wikstrom

The RDA can do it, just think about how you want that to happen.

Jim Brass

We've talked about a mixed price point within the housing anyway and if \$150,000 fits in that requirement than that will give us room to move.

Karen Wikstrom

Why don't I write a fairly general plan? What you should be thinking about is if you feel like your housing needs are more immediate or the project needs are more immediate. For example on of the things in a housing plan for a project in Midvale was we said these are the people who we think would be used to do the investment, but what we're going to do is three years before the end of this project area, we'll do an accounting to see where that housing money has gone, and if the 20% hasn't been invested then we adjust how the remainder of the TIF is going to be used, and all of it from that time could go towards affordable housing. We want to be very flexible, but I also feel it's really important for you to think about it.

Jim Brass

Would that not be dependent on the developer and what they want to build? We can have our desires, but if we can't find a developer it doesn't matter.

Karen Wikstrom

One thing we did on block 49 in Salt Lake City, just east of Pioneer Park, was we specified the 20% of housing units would be affordable. We made that specification in the plan. Then on behalf of the RDA we secured low income housing tax credits that then became part of the package that the developer could take. So there are lots of ways you can influence this and then your investment in securing those tax credits become part of your 20% and you just repay that. There are lots of ways you can do this and incorporate affordability. Is there anything else, I feel like this is such an opportunity to have you all together to talk about these things.

Jim Brass

I think we've jumped forward on the concept and we have an idea what we want to do with the housing. I believe we're all looking at ownership as preferential over rental.

Gary Snyder

Just to clarify about moving the street, that's open to second discussion, but I gave Karen a number of reasons and concerns. Now having said that, we are anxious to solidify our plans so if we can help drive something we're looking for the opportunity to cooperate with someone to start this happening for us.

Karen Wikstrom

Gary, as you mentioned, this is the flagship store. One of the things haven't talked about, that we talked about before is keep thinking about what happens over here.

Krista Dunn

And we have need for some real revitalization over on the east side of State Street, and that could jumpstart the whole thing too.

Jim Brass

What would be your concern about moving across the street?

Gary Snyder

I have 6 or 7 as I recall.

Jim Brass

Haul them out here because as a board we'd like to know.

Karen Wikstrom

I can throw out some. This has been very much a known location, so does that change when you go to the east side. One of the issues is having appropriate depth and width on the site.

Gary Snyder

Configuration and availability concerns, we have traffic concerns, traffic flow concerns.

Karen Wikstrom

Will it be as traffic to come in and out of the store on the other side of the street, will there be impediments? These are questions that anybody who's a retailer would want to study. Is it less convenient for our purchasers?

Gary Snyder

I think the main reason we wouldn't initiate the second conversation is simply because right now we are the draw. We're where we want to be and now if you're going to bring additional draws into the area, we don't want to be disconnected. If we can stay on our corner and help this forward, we are anxious to do that.

Jim Brass

Any other questions? We're adjourned. Thank you.